

January 10, 2008

Tom O'Grady, President
O'Grady Paving, Inc.
2513 Wyandotte Street
Mountain View, California 94043

Subject: NONRESPONSIVE BID
105 S. MONTGOMERY ST. PARKING LOT PROJECT

Dear Mr. O'Grady:

The purpose of this letter is to provide notice that the San Jose Redevelopment Agency ("Agency") finds O'Grady Paving's bid for the 105 S. Montgomery St Parking Lot Project ("Project") non-responsive based on the following:

The bid documents for the above Project sets forth the following requirements for Section 00420, List of Subcontractors:

1. Instruction to Bidders, Section 3.4, Designation of Subcontractors: Each bidder, in making a bid or offer to perform the work, shall in its bid set forth the portion of the work which shall be done by each subcontractor, *including the dollar amounts of said work*.

The original bid provided by O'Grady Paving contains an incomplete List of Subcontractors. The contract dollar value for each item of subcontracted work was not indicated.

Based on the above findings, the Agency will be recommending to the Agency's Board of Directors at the Board Meeting on January 29, 2008 that O'Grady Paving's bid be rejected as non-responsive and award the contract to the lowest responsive and responsible bidder. The Board Meeting will be held no earlier than 3:30 p.m. in the Council Chambers located in the Wing of City Hall, 200 E. Santa Clara Street, San Jose, CA 95113. This is a public meeting and you may attend and speak to the matter if you desire.

If you do not attend, you will be notified if the request is approved and the bid security will be returned at that time.

Please contact me at (408) 795-1875 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Ekern', with a stylized, cursive script.

Bill Ekern
Director of Project Management